

01399

1991/05/28

35

May 28, 1991

CONFIDENTIAL



PRC: PRICES OF KEY MATERIALS RAISED

State-set prices for within-plan sales of steel products and cement were hiked sharply earlier this year, according to press reports. Steel product prices were increased 25-55%, approaching domestic "free" market prices; official and free market prices of cement were unified by jumping the state price 40%.

Comment: These corrective price adjustments may be cited as "reformist."

B1 AS

Fixed prices of other producer goods probably will be adjusted gradually upwards so long as inflation remains below two digits.

(CONFIDENTIAL)

Decom:	STATE	IS/FPO/CDR	HIC
<input type="checkbox"/> RELEASE	1991	MR CCL or CCR	RELEASER
<input checked="" type="checkbox"/> EXCISE	✓	EQ CCL	
<input checked="" type="checkbox"/> ECR			
<input type="checkbox"/> DELETE NOT-FEDERAL INFO			
FOIA Exemptions		<input type="checkbox"/> CLASS F 43	TS auth
PA Exemptions		<input type="checkbox"/> DOWNGRADE TS to () S or () C CCR	<input type="checkbox"/> S or () C CCR

CONFIDENTIAL